



2019 ASSEMBLY BILL 765

January 21, 2020 - Introduced by Representatives NEUBAUER, CROWLEY, STUBBS, ANDERSON, BILLINGS, BOWEN, BROSTOFF, FIELDS, GOYKE, GRUSZYNSKI, HEBL, KOLSTE, OHNSTAD, POPE, RIEMER, SARGENT, SHANKLAND, SINICKI, SPREITZER, SUBECK, C. TAYLOR, VRUWINK and ZAMARRIPA, cosponsored by Senators WIRCH, HANSEN, LARSON, SHILLING and SMITH. Referred to Committee on Financial Institutions.

1 **AN ACT** *to create* 20.505 (1) (am) of the statutes; **relating to:** requiring a study
2 relating to green banks and making an appropriation.

Analysis by the Legislative Reference Bureau

This bill requires the Department of Administration to contract with an independent consultant to conduct a study into developing a green bank in this state. A “green bank” is defined under the bill as “a financial institution that uses a combination of public funds and private investment to finance the deployment of renewable energy and energy efficiency projects.” Under the bill, DOA must submit a report on the study to the legislature no later than one year after the bill’s effective date.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1.** 20.505 (1) (am) of the statutes is created to read:
4 20.505 (1) (am) *Green bank study.* A sum sufficient to conduct the green bank
5 study under 2019 Wisconsin Act (this act), section 2.

6 **SECTION 2. Nonstatutory provisions.**

ASSEMBLY BILL 765**SECTION 2**

1 (1) GREEN BANK STUDY.

2 (a) *Definition.* In this subsection, “green bank” means a financial institution
3 that uses a combination of public funds and private investment to finance the
4 deployment of renewable energy and energy efficiency projects.

5 (b) *Study.* The department of administration shall contract with an
6 independent consultant with experience in the financing of energy conservation and
7 renewable energy projects to produce a study of the prospects, options, benefits, and
8 costs of developing a green bank in this state. The study shall analyze, at a
9 minimum, all of the following:

10 1. The structure, authorities, duties, and operations of green banks operating
11 in other states, including all of the following:

12 a. The types of projects green banks finance.

13 b. The process of aggregating multiple small projects into financial
14 instruments that are attractive to private lenders, converting those instruments into
15 marketable securities, and marketing those securities.

16 c. How green banks can stimulate demand for capital for projects and can
17 supply the capital.

18 d. The levels of the initial capital provided to green banks from public funds and
19 the length of time before the green banks generated sufficient funds to fully pay their
20 operating expenses.

21 e. How green banks can use existing bonding tools.

22 2. Strategies that have the potential to be successful in this state for leveraging
23 private capital into the market to increase overall investment in renewable energy
24 and energy efficiency projects.

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1 3. The implications of developing a green bank as a public, quasi-public, or
2 nonprofit entity.

3 4. Existing energy efficiency and financing programs in this state and the gaps
4 that a green bank could most effectively fill, with priority given to the gaps in
5 programs provided in low income, minority, and other underserved communities.

6 5. A business plan and timeline outlining start-up operations and milestones
7 of a green bank in this state.

8 6. The feasibility and implications of requiring or encouraging green banks to
9 give priority to projects in low income, minority, and other underserved communities.

10 7. The implications of a green bank in this state requiring any person who
11 receives funding from the green bank to meet, of a green bank giving funding
12 preference to persons who meet, and of requiring a green bank in this state to meet
13 the following conditions:

14 a. Maintain a permanent place of business.

15 b. Be authorized to do business in this state.

16 c. Not be debarred, suspended, proposed for debarment, or declared ineligible
17 from contracting with any unit of federal, state, or local government.

18 d. Be in compliance with the provisions of 21 USC 2000e and Federal Executive
19 Order No. 11246 as amended by Executive Order No. 11375.

20 e. Have general liability, worker's compensation, and automobile insurance at
21 levels sufficient to protect the public given the size of the project.

22 f. Have complied with all provisions of the federal Davis-Bacon Act and related
23 acts and all rules promulgated under those acts for any projects to which those acts
24 applied during the previous 5 years.

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1 g. For a person conducting a construction or maintenance contract, confirm
2 that the person participates in an apprenticeship program that is currently
3 registered by the U.S. Department of Labor or a state apprenticeship agency and has
4 graduated at least one apprentice to journeyperson status within the last 3 years.

5 h. Have a written substance abuse prevention program meeting the
6 requirements of s. 103.503.

7 i. Confirm that employees who will perform work on a project are properly
8 classified as employees or independent contractors under applicable state and
9 federal laws.

10 j. Confirm that employees who will perform work on a project are covered under
11 a current worker's compensation policy and are properly classified under the policy.

12 k. Have all applicable professional and trade licenses.

13 l. Have adequate financial resources to complete a project and any other project
14 that the person is under contract to complete.

15 m. Be bondable for the terms of the proposed project.

16 n. Have a record of satisfactorily completing at least 5 projects of similar size
17 and complexity within the last 5 years, based on completion of contracts in
18 accordance with drawings and specifications, diligent execution of the work and
19 completed contracts according to established time schedules, and fulfillment of
20 guarantee requirements of the contract.

21 o. Maintain a written safety program.

22 p. Not have received a serious, willful, or repeated violation from the federal
23 Occupational Safety and Health Administration in the past 10 years.

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1 (c) *Report.* The department of administration shall submit a report on the
2 study conducted under this subsection no later than one year after the effective date
3 of this paragraph, to the chief clerk of each house of the legislature for distribution
4 to the appropriate standing committees under s. 13.172 (3).

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(END)